



## **PRESS OFFICE**

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### ***SBA ADMINISTRATOR ALVAREZ ROLLS OUT NEW NATIONAL HUBZone PROGRAM***

*Joins D.C. officials for town meeting on economic development*

**WASHINGTON** – The head of the U.S. Small Business Administration (SBA), Aida Alvarez, joined District of Columbia Delegate Eleanor Holmes-Norton, Mayor Anthony Williams and Councilwomen Charlene Drew-Jarvis and Sandra Allen in launching a national effort to help distressed communities through a new government contracting initiative, the HUBZone Empowerment Contracting Program. HUBZone refers to Historically Underutilized Business Zones.

**“The HUBZone program is going to be a real economic boost for people and places that have not fully participated in our current prosperity,”** said Administrator Alvarez. **“I am pleased to be able to kick off our national outreach effort here in the nation’s capital. The HUBZone program is about creating jobs, and keeping them in the community.”**

Administrator Alvarez made the remarks during an SBA-sponsored town hall meeting on economic development attended by area residents and business owners. There are 84 census tracts within the District that qualify as federal HUBZones. Census tracts are areas that range in population from 2,000 to 8,000 persons.

The SBA is launching this educational effort to tell small business owners how they can qualify for HUBZone designation and what the benefits are. The event in the nation’s capital is just one of many that will take place around the country during the next several weeks.

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Nationally, HUBZones are located in more than 7,000 urban census tracts, in 900 rural counties, and on every federally recognized Native American reservation.

Increased contracting activity by HUBZone firms is seen as a way to promote private-sector investment in distressed communities and create several thousand new jobs as the program takes hold. The new workers will be employed by qualified small businesses located in HUBZones, which are areas of generally low income and high unemployment.

Under the HUBZone legislation, many federal contracts are more likely to be awarded to small businesses in HUBZones. To qualify, a small business' principal office must be in a HUBZone and at least 35 percent of its employees must reside in a HUBZone. The firm must also be completely owned and controlled by U.S. citizens. Contracts reserved for HUBZone firms can be awarded through competition limited to qualified HUBZone firms or on a sole-source basis. Another option allows contracting officers to give HUBZone firms a price preference in bidding open to non-HUBZone firms.

The goal of the HUBZone program is to reach three percent of all federal contracting by fiscal year 2003, or almost \$6 billion. That percentage will then remain fixed at that level.

The SBA has created an interactive Internet web page that provides detailed information and identifies HUBZones by state, county and specific address. Applications for certification also can be downloaded. The Website is at [www.sba.gov/hubzone](http://www.sba.gov/hubzone).

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